



BILLING CODE: 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-570-944]

#### **Certain Oil Country Tubular Goods from the People's Republic of China: Final Results of the Expedited Second Sunset Review of the Countervailing Duty Order**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) order on certain oil country tubular goods (OCTG) from the People's Republic of China (China) would be likely to lead to continuation or recurrence of countervailable subsidies.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** Dusten Hom or Mary Kolberg, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-5075 or (202) 482-1785, respectively.

#### **SUPPLEMENTARY INFORMATION:**

Background

On January 20, 2010, Commerce published the countervailing duty order on OCTG from China.<sup>1</sup> On April 1, 2020, Commerce published the initiation of the second sunset review of this order, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).<sup>2</sup> On April 14, 2020, Commerce received a notice of intent to participate from Maverick Tube Corporation, Tenaris Bay City, Inc., and IPSCO Tubulars Inc. (collectively, Tenaris USA), and on April 16, 2020, Commerce received a notice of intent to participate from United States Steel Corporation (U.S. Steel), Vallourec Star, L.P. and Welded Tube USA, Inc. (collectively, Vallourec USA), and BENTELER Steel/Tube Manufacturing Corp. (BENTELER).<sup>3</sup> All notices of intent to participate were filed within the deadline specified in 19 CFR 351.218(d)(1)(i). Tenaris USA, U.S. Steel, Vallourec USA, and BENTELER (collectively, domestic interested parties) claimed interested party status under section 771(9)(C) of the Act as producers of OCTG in the United States.

On May 1, 2020, Commerce received an adequate substantive response from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3).<sup>4</sup> Commerce did not receive any submissions from any other interested parties. Because Commerce did not receive a substantive response from either the Government of China (GOC)

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<sup>1</sup> See *Certain Oil Country Tubular Goods from the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order*, 75 FR 3203 (January 20, 2010) (CVD Order).

<sup>2</sup> See *Initiation of Five-Year ("Sunset") Review*, 85 FR 18189 (April 1, 2020).

<sup>3</sup> See Tenaris USA's Letter, "Notice of Intent to Participate in Second Sunset Reviews of the Antidumping and Countervailing Duty Orders on Oil Country Tubular Goods from the People's Republic of China," dated April 14, 2020; see also U.S. Steel's Letter, "Five-Year ("Sunset") Review of Antidumping and Countervailing Duty Orders on Oil Country Tubular Goods from China: Notice of Intent to Participate"; Vallourec USA's Letter, "Oil Country Tubular Goods from the People's Republic of China, Second Sunset Review: Notice of Intent to Participate"; and BENTELER's Letter, "Notice of Intent to Participate in Second Sunset Reviews of the Antidumping and Countervailing Duty Orders on Oil Country Tubular Goods from the People's Republic of China"; each dated April 16, 2020.

<sup>4</sup> See Domestic Interested Parties' Letter, "Oil Country Tubular Goods from the People's Republic of China: Substantive Response of the Domestic Industry to Commerce's Notice of Initiation of Five-Year ("Sunset") Review," dated May 1, 2020.

or the respondent interested parties who are producers or exporters of OCTG, we determined that respondent interested parties provided inadequate responses to Commerce's notice of initiation.

On May 22, 2020, Commerce notified the U.S. International Trade Commission that it did not receive an adequate substantive response from respondent interested parties.<sup>5</sup> As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(B)-(C), Commerce is conducting an expedited (120-day) sunset review of the *CVD Order*.

#### Scope of the Order

Imports covered by the order are shipments of certain oil country tubular goods, which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.*, whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of the order also covers OCTG coupling stock. Excluded from the scope of the order are casing or tubing containing 10.5 percent or more by weight of chromium; drill pipe; unattached couplings; and unattached thread protectors.

The merchandise subject to this order may be classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7304.29.10.10, 7304.29.10.20, 7304.29.10.30, 7304.29.10.40, 7304.29.10.50, 7304.29.10.60, 7304.29.10.80, 7304.29.20.10, 7304.29.20.20, 7304.29.20.30, 7304.29.20.40, 7304.29.20.50, 7304.29.20.60, 7304.29.20.80, 7304.29.31.10, 7304.29.31.20, 7304.29.31.30, 7304.29.31.40, 7304.29.31.50, 7304.29.31.60,

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<sup>5</sup> See Commerce's Letter, "Sunset Reviews Initiated April 1, 2020," dated May 22, 2020.

7304.29.31.80, 7304.29.41.10, 7304.29.41.20, 7304.29.41.30, 7304.29.41.40, 7304.29.41.50, 7304.29.41.60, 7304.29.41.80, 7304.29.50.15, 7304.29.50.30, 7304.29.50.45, 7304.29.50.60, 7304.29.50.75, 7304.29.61.15, 7304.29.61.30, 7304.29.61.45, 7304.29.61.60, 7304.29.61.75, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.29.10.30, 7306.29.10.90, 7306.29.20.00, 7306.29.31.00, 7306.29.41.00, 7306.29.60.10, 7306.29.60.50, 7306.29.81.10, and 7306.29.81.50.

The OCTG coupling stock covered by the order may also enter under the following HTSUS item numbers: 7304.39.00.24, 7304.39.00.28, 7304.39.00.32, 7304.39.00.36, 7304.39.00.40, 7304.39.00.44, 7304.39.00.48, 7304.39.00.52, 7304.39.00.56, 7304.39.00.62, 7304.39.00.68, 7304.39.00.72, 7304.39.00.76, 7304.39.00.80, 7304.59.60.00, 7304.59.80.15, 7304.59.80.20, 7304.59.80.25, 7304.59.80.30, 7304.59.80.35, 7304.59.80.40, 7304.59.80.45, 7304.59.80.50, 7304.59.80.55, 7304.59.80.60, 7304.59.80.65, 7304.59.80.70, and 7304.59.80.80.

Although HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

#### Analysis of Comments Received

All issues raised in this review are addressed in the Issues and Decision Memorandum<sup>6</sup> and listed in the appendix to this notice, including the likelihood of continuation or recurrence of a countervailable subsidy and the net countervailable subsidy likely to prevail if the order were revoked. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at

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<sup>6</sup> See Memorandum, "Issues and Decision Memorandum for the Final Results of the Second Expedited Five-Year Sunset Review of the Countervailing Duty Order on certain Oil Country Tubular Goods from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

<https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://enforcement.trade.gov/frn>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

#### Final Results of Review

Pursuant to sections 751(c)(1) and 752(b)(1) and (3) of the Act, we determine that revocation of the *CVD Order* would be likely to lead to continuation or recurrence of countervailable subsidies at the following net countervailable subsidy rates:

<b>Exporter/Manufacturer</b>	<b>Net Subsidy Rate (percent)</b>
Jiangsu Changbao Steel Tube Co. and Jiangsu Changbao Precision Steel Tube Co., Ltd.	22.87
Tianjin Pipe (Group) Co., Tianjin Pipe Iron Manufacturing Co., Ltd., Tianguan Yuantong Pipe Product Co., Ltd., Tianjin Pipe International Economic and Trading Co., Ltd., and TPCO Charging Development Co., Ltd.	20.90
Wuxi Seamless Pipe Co, Ltd., Jiangsu Fanli Steel Pipe Co, Ltd., and Tuoketuo County Mengfeng Special Steel Co., Ltd.	25.36
Zhejiang Jianli Enterprise Co., Ltd., Zhejiang Jianli Steel Tube Co., Ltd., Zhuji Jiansheng Machinery Co., Ltd., and Zhejiang Jianli Industry Group Co., Ltd.	26.19
All Others	23.82

#### Administrative Protective Order (APO)

This notice also serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of the return or destruction of APO materials or conversion to judicial protective orders is hereby

requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing these results and notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act, and 19 CFR 351.218.

Dated: June 23, 2020.

**Jeffrey I. Kessler,**

*Assistant Secretary*

*for Enforcement and Compliance.*

## **APPENDIX**

### **List of Topics Discussed in the Issues and Decision Memorandum**

I. Summary

II. History of the Order

III. Background

IV. Scope of the Order

V. Discussion of the Issues

1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy

2. Net Countervailable Subsidy Likely to Prevail

3. Nature of the Subsidies

VI. Final Results of Review

VII. Recommendation

[FR Doc. 2020-13947 Filed: 6/26/2020 8:45 am; Publication Date: 6/29/2020]